

BBVA Creating
Opportunities



The journey of the Principles for Responsible Banking

A bank's point of view

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Brussels
5th February 2019

An inflection point for sustainable finance

Global agenda

Sustainable Development Goals 2030 (SDGs)



Paris Agreement



Investors



1,750
Institutional investors

USD 70 TRILLION
Assets under management

Market

USD 12 TRILLION

Annual market linked to SDGs in 2030¹

USD 5-7 TRILLION

Expected annual investment till 2030, 70% in emerging markets¹

Consumers

Growing sustainability consciousness

Competitors

Starting to develop advanced strategies

Regulators & supervisors



Action Plan on sustainable finance

Technology

Big data Blockchain Artificial Intelligence Internet of things New Realities

(1) Business & Sustainable Development Commission

“We need to reimagine the role of banking in society. Banks need to redefine their **purpose. A purpose that is as transformational as massive, aimed at having a **positive impact on people’s lives**”**

“The Principles for Responsible Banking are the response our societies need. They are the next step forward. **The Principles are THE initiative** to show the strong commitment of banks to finance thinking about the future”

What makes the Principles unique

ALIGNMENT

TARGET-SETTING

ENGAGEMENT

TRANSPARENCY



European Banks, leading in sustainable finance...



Promoting standards



Developing methodologies

Climate scenarios: pilot group of 16 banks led by UNEP FI (8 European)



Methodology to measure whether our client portfolio is aligned with the Paris Agreement



Innovating solutions

Nordea – now offering green financing to small and medium sized corporates in Sweden



BBVA leads the first green corporate loan in Latin America



Societe Generale launches a "Sustainable and Positive Impact Finance" offering within the global banking & investor solutions' activities

Barclays Green Home Mortgages Buy an energy efficient home and get a lower rate

Want to find out if you have a lower mortgage rate on your home when you buy an energy efficient home? It's just one of the ways we support green choices.

... and already setting their ambition and defining long-term strategies

BBVA Pledge 2025, our strategy on climate change and sustainable development



To finance

We will help to create the **scale of capital mobilization** to halt global climate change & attain the UN Sustainable Development Goals

€100 Billion MOBILIZED

- Green finance
- Sustainable infrastructure and agribusiness
- Financial inclusion & entrepreneurship



To manage

We will manage our environmental & social risks to **minimize potential negative direct & indirect impacts**

70% RENEWABLE ENERGY

68% CO₂ EMISSIONS REDUCTION

- Transparency in carbon-related exposure
- Progressively alignment with the Paris Agreement
- Sector norms in mining, energy, agribusiness & infrastructure



To engage

We will engage with all our stakeholders **to collectively promote the contribution** of financial industry to sustainable development

ACTIVE COLLABORATION

- TCFD recommendations implementation on 2020
- Financial education
- Promotion of Responsible Banking standards within the industry

Our purpose: to bring the age of opportunity to everyone

*“The Principles are the best framework to build **a global coalition of banks** to create the scale of change our world needs”*

*“Europe must lead this transformational journey. The **European Banking Federation** wants to become a **catalyzer** to make it happen. It is one of our strategic priorities”*

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